

Fenwick Island Town Council
Minutes of the Special Meeting of February 1, 2010

Approved 2.11.2010

Call to order with a flag salute by Vice-Mayor Smallwood at 9:08 AM.

Council Members Present: Serio, Carmean, Smallwood, Weistling, Tingle, Langan

Council Members Absent: Bunting

Other Attendees: Win Abbot

Motion to approve minutes of Special Council meeting 9/2/2009 – Carmean

Second – Council Member Langan

Council Member Tingle noted that there appeared to be a word missing on page 3 and that text should be changed to read: "... the town should pre-apply in order to obtain **the** package that will outline what will be considered."

Motion to approve minutes as amended: Council Member Carmean

Second – Council Member Langan

Vote: All in favor

Motion passed (6-0)

Discuss Beach Concessions

Vice Mayor Smallwood advised the purpose of this meeting is to discuss beach concessions and called for a round-table discussion.

Town Manager Abbott noted that his recent discussions with South Bethany indicate that it might be possible to realize a minimum of \$7000 from beach concessions. Mayor Serio believes that the State of Delaware quoted a higher figure that approached \$20,000 and that South Bethany's revenue was the result of "ice" sales and that it was most likely due to a vendor-type license being sold. Council Member Smallwood believes that the State figure includes revenue from parking; he would prefer to utilize budget cuts if the revenue generated is less than \$7000.

Council Member Carmean raised concerns about the possible impact on the town: the presence of a food vendor works against local restaurants; the amount to be realized is not sufficient enough nor is there enough time left before the summer to implement the change; other towns have commercial areas that are close to the beach which vendors utilize – Fenwick Island does not.

Mayor Serio advised that the original premise was to find a potential revenue source that would impact residents of town as well as visitors. Using meters, increasing taxes, implementing fees are all possible revenue sources. A food vendor will result in a cost to the town for clean-up and other services while beach umbrella/chair rentals will not. The town must explore liability issues and other possible implications by seeking information from established concessioners. Mayor Serio asked for an informal voice vote to allow the sale of food; all present voted "no" for the sale of food on the beach.

Council Member Smallwood noted that he believes the concession stand should be limited to 2-3 locations and asked if anyone had an idea of what the net revenue would be to the town. Mayor Serio believes that offering beach umbrella/chair rentals will provide the following: more income for the town; income from those who do not pay taxes directly to the town; provide a needed service. Council Member Smallwood proposed two studies to explore the best places for concessions: Lewes St – Atlantic Ave and Lewes St – State line (if the state is agreeable). He proposed placement at Indian St, Dagsboro St, Atlantic Ave and the State line. Council Member Weistling believes that most people rent a single family dwelling that is already outfitted with umbrellas and chairs for the beach; the walk is close

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enough to the beach that he does not believe there will be an interest in renting those items on the beach. Council Member Carmean noted that providing the service on the State Beach may obligate the town to provide other services to that area. Mayor Serio added that, ideally, a contract with the State regarding lifeguard services will be in place or run concurrent with discussions regarding beach concessions. A one-year contract is advisable and the town should seek guidance of Town Solicitor Tempe Steen regarding a sample bid.

Council Member Tingle asked if these would be stationary stands. Mayor Serio advised that they are usually mobile. Council Member Smallwood noted that there appears to be more than enough ATV traffic on the beach already and there may not be enough revenue from the rental to warrant allowing more. He also noted that the bicycle shop will be renting umbrellas/chairs this year. Mayor Serio asked all present to determine what their breakpoint is that would make beach concessions a viable option. Council Member Tingle would like a comparison of what the town receives from the sale of parking permits vs. the cost. She believes that might provide a guideline for council.

Council Member Weistling asked if there will be any parameters set regarding quality of materials to be rented. Neither Council Member Smallwood nor Council Member Carmean favors umbrellas that feature beer, alcohol, and other items inappropriate for a Quiet Resort family-values beach environment. Council Member Carmean is not opposed to other kinds of advertisements. Mayor Serio advised those items can be written into the contract. Council Member Weistling advised that he is against the concessions but is willing to wait for more information.

Mayor Serio will seek guidance from Solicitor Steen and from other towns in an effort to gain more information regarding the bid process, average cost, quality of goods, time(s) of sales, insurance, etc. She suggested tabling the action pending further information.

Other Business:

Mayor Serio advised there will be a Special Council Meeting on Wednesday February 10, 2010 @ 10:00 AM to discuss Beach Rentals, an Investments Review and an Executive Session to discuss possible legal matters.

Motion to Adjourn - Council Member Carmean

Second – Council Member Weistling

All in Favor.

Meeting adjourned at 9:55 ~~PM~~ AM

Respectfully submitted,

Diane Tingle, Council Secretary
DT/adip